# Portion of Gayle M. Rigione's Handwritten Notes of MasterCard Senior Management Group Meeting on May 8, 1996 (as interpreted by Gayle Rigione)

5/8/96 SMG Meeting

Premium Card Product --- must it go to board?
-- which board?
No!

## American Express Discussion

**REDACTED** 

HEL: Proposed less black and white approach. Maybe with clever rules

RNC: Amex lacks scale and tries to build business to expand acceptance.

Take it further. Our pricing is same for Amex as well.

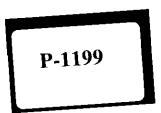
need holistic view.

Verdi: Merchants are brand indifferent. They want volume.

Rush: Why not embrace to fill in our product gaps like corporate card.

JVT: Would be ruthless. Why give them a life line?

Hogan: Crappy PR reality is what you'll get. Won't get portfolio. Conversions Would be brutal, ruthless



AJH: Soft stand vis-a-vis Amex will render us SOL on credit.

American Express has money, position. Amex looking for a handful of Advantas. More at risk than just a credit card.

CDT: Natwest considering issuing Amex - have leveraged Visa/MasterCard for share of wallet to fullest

expense

#### **REDACTED**

HEL: This is a global problem, not a regional issue

WIJ: Not a good thing for MasterCard

How could we be ruthless to Amex. Handle the way Microsoft would. Be a strong
competitor

HEL: Could HEL issue a rule, restriction on an interim basis until Board meets.

AJH: Discover doing well, good product initiatives

### *REDACTED*

HEL: Doesn't want to legitimize this

MC Management doesn't believe it's in the best interest.

Will seek Board's ultimate decision and advise accordingly

# REDACTED

HEL: For purposes of preparing executive committee analysis, consider not having a binary set of rules.

Maybe there's a business opportunity there.